

**R590. Insurance, Administration.****R590-161. Disability Income Policy Disclosure.****R590-161-1. Authority.**

This rule is issued pursuant to the authority vested in the commissioner under Section 31A-2-201.

**R590-161-2. Definition.**

"Disability Income Policy" means a group or individual insurance policy that provides for payments to the insured to replace income lost from accident or sickness.

**R590-161-3. Rule.**

A. Unless the reduction is clearly explained in the outline of coverage, the group certificate, and the policy, the amount of benefit payable by an insurer under a disability income policy may not be reduced by:

- (1) worker's compensation benefit paid to the insured; or
- (2) social security benefit paid to the insured; or
- (3) any other amount the insured has received, or is entitled to receive by law or contract, including any other disability contract.

B. Any insurer that has disability income policies in effect that have reduction of benefit provisions that were not clearly explained in the outline of coverage, the group certificate, and the policy, will, within 30 days after the effective date of this rule, send notices to these insureds that clearly explain these reductions.

**R590-161-4. Severability.**

If any provision of this rule or the application thereof to any person or circumstance is for any reason held to be invalid, the remainder of the rule and the application of the provision to other persons or circumstances shall not be affected thereby.

**KEY: insurance  
1994**

**31A-2-201**

**Notice of Continuation December 1, 1998**

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